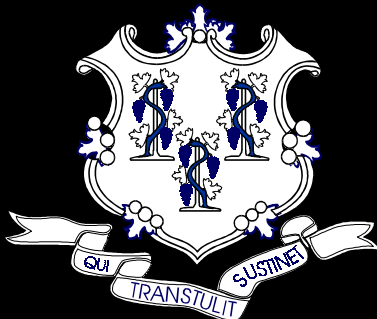


# 1998

## FORM CT-1120SI

This booklet  
contains:

- Form CT-1120SI
- Form CT-1120SI EXT
- Form CT-1NA
- Form CT-1120SI ES



# Connecticut S Corporation Information and Composite Income Tax Return and Instructions

Dear Customer:

Connecticut recognizes the importance of its business community and continues to take significant steps to reduce the tax burden on Connecticut corporations. In 1998, and again in 1999, the amount of income of your S corporation that is subject to Connecticut corporation business tax has been reduced, in addition to a reduction in the overall corporation business tax rate. There are also many important tax law changes that address apportionment of income and tax credits. Be sure to read the summary of these changes beginning on Page 2 of this booklet.

Detailed information about Connecticut taxes is available on the DRS Web site (see address at bottom of page). However, our Taxpayer Services personnel are always ready to assist you with any aspect of Connecticut taxes or tax credits. The back cover of this booklet has a complete list of our regional locations, hours of service and phone and fax numbers.

Our goal at the Department of Revenue Services is to provide you with the highest quality service. We continue to win awards for our efforts to bring efficiency, integrity, and fairness to the State's tax programs. You can help us serve you better by writing me, or e-mail me through our Web site.

Sincerely,

Gene Gavin  
Commissioner of Revenue Services

Taxpayer information is available on our Internet site:  
**<http://www.state.ct.us/drs>**

# LEGISLATIVE CHANGES

## CT-1120S DUE DATE

For income years beginning on or after January 1, 1998, the due date for filing the S Corporation Business Tax Return has been changed from the first day of the fourth month (April 1 for calendar year filers), to the fifteenth day of the fourth month following the end of the income year or April 15 for calendar year filers. (1998 Conn. Pub. Acts 244, §7)

## NEW CT-1120S EXTENSION

For income years beginning on or after January 1, 1998, the due date for filing the application for extension of time to file (**Form CT-1120S EXT**) is changed from the first day of the fourth month (April 1 for calendar year filers), to the fifteenth day of the fourth month following the end of the income year or April 15 for calendar year filers. (1998 Conn. Pub. Acts 244, §7)

## QUALIFIED SUBCHAPTER S SUBSIDIARY (QSSS)

For income years beginning on or after January 1, 1998, the assets, liabilities, and items of income, deduction and credit of a subsidiary of an S corporation that is a Qualified Subchapter S Subsidiary (QSSS), as defined in Internal Revenue Code §1361(b)(3)(B), are required to be combined with those of the parent S corporation in a single return. (1998 Conn. Pub. Acts 244, §5)

## TIME FOR DEPARTMENT TO MAKE ASSESSMENT IS EXTENDED

The time for the Department to make an assessment against a nonresident or part-year resident is extended to six years if the Department determines that the taxpayer has underreported at least 25% of Connecticut source income. Effective for taxable years beginning on or after January 1, 1998. (1998 Conn. Pub. Acts 244 §33)

## PHASEOUT OF S CORPORATION BUSINESS TAX

Conn. Gen. Stat. §12-217(c)(2) provides for the phaseout of the S corporation business tax by reducing the percentage of net income subject to tax for income years commencing on or after January 1, 1997.

Conn. Gen. Stat. §12-701(a)(20) provides for a similar phaseout of the modification to the federal adjusted gross income for S corporation shareholders who are individuals. Conn. Gen. Stat. §12-701(a)(10) provides for a similar phaseout with respect to S corporation shareholders that are trusts or estates. For income years beginning on or after January 1, 2001, S corporations will no longer be subject to the minimum tax (starts at \$250).

For Income Years Beginning on or After	But Before	Net Income Subject to Corporation Business Tax
1/1/1997	1/1/1998	90%
1/1/1998	1/1/1999	75%
1/1/1999	1/1/2000	55%
1/1/2000	1/1/2001	30%
1/1/2001		0%

## NO LATE PAYMENT PENALTY IMPOSED ON CERTAIN REQUESTS FOR EXTENSION

If a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if the excess of (1) the amount of tax shown to be due on the return over (2) the amount of tax paid on or before the original due date of the return is not greater than 10% of the amount of tax shown to be due on the return, and the balance due is paid on or before the extended due date of such return. (1998 Conn. Pub. Acts 244 §30)

## CONN-TAX

If you have a touch-tone phone, you can obtain important income tax information 24 hours a day from CONN-TAX, the Department's information line. Call **860-297-5962** (anywhere) or **1-800-382-9463** (in-state), press "1" to be connected to "Income Tax Information Menu," then press "2" to select "Recorded Income Tax Information." Enter the three-digit number beside the topic of your choice.

### GENERAL INCOME TAX INFORMATION

- 101 Important income tax changes for 1998
- 102 How to choose the correct form
- 103 Where to get forms and assistance
- 104 Requesting a filing extension
- 105 Filing a decedent's return
- 106 Filing an error-free return
- 107 Amending a Connecticut return
- 108 Getting a copy of a previously filed return
- 109 Offsets of state income tax refunds
- 110 Deducting Connecticut income tax when completing your federal income tax return

### INCOME TAX FILING REQUIREMENTS, RESIDENCY AND FILING STATUS

- 201 Who must file a Connecticut return?
- 202 What is gross income?
- 203 Who is a resident, nonresident or part-year resident?
- 204 What is Connecticut source income of a nonresident?
- 205 Members of the armed forces
- 206 Student's filing requirements
- 207 Dependent children's filing requirements
- 208 What is your filing status?
- 209 Title 19 recipients

### CONNECTICUT USE TAX, GIFT TAX AND OTHER INCOME TAX RETURNS

- 301 Individual use tax
- 302 Gift tax
- 303 Income tax on trusts and estates
- 304 S corporation information and composite income tax return
- 305 Partnership income tax return
- 306 Group return for shareholders, partners and beneficiaries

### FORM CT-1040 OR FORM CT-1040 NR/PY

- 401 Tax status of United States government obligations
- 402 Tax status of state or local obligations
- 403 Residents and part-year residents who paid income tax to another jurisdiction
- 404 Deferred compensation
- 405 Pension income, social security and individual retirement accounts
- 406 Modifications to federal adjusted gross income
- 407 Connecticut alternative minimum tax
- 408 Property tax credit
- 409 Questions about a state tax refund or a Connecticut tax rebate

### ESTIMATED TAX INFORMATION

- 501 Who must estimate?
- 502 Withholding instead of making estimates
- 503 Estimated income tax form
- 504 When to file and how much to pay
- 505 Annualization of income
- 506 Interest on underpayments
- 507 Farmers and fishermen

### TELEFILE INFORMATION

- 601 Who is eligible to telefile?
- 602 What do I need to do before making the call?
- 603 Completing the Telefile Worksheet
- 604 Tips for successful telefiling
- 605 What if I make a mistake while telefiling?

# HOW TO USE THE TAX BOOKLET

## TABLE OF CONTENTS

Legislative Changes . . 2

### GENERAL INFORMATION ..... 4

Where Can I Get Help? . . 4

Where Can I Get Additional Forms and Publications? . . 4

Who Must File a Connecticut S Corporation Information and Composite Income Tax Return? . . 4

How Do Shareholders Report Their Income? . . 4

When is **Form CT-1120SI** Due? . . 5

Extension of Time to File the Return . . 5

Extension of Time to Pay the Tax . . 5

How to File an Amended Return . . 5

Accounting Period and Method of Accounting . . 6

Penalty and Interest for 1998 **Form CT-1120SI** . . 6

Waiver of Penalty . . 6

Rounding Off to Whole Numbers . . 6

Internal Revenue Service Exchange Program . . 6

Group Returns for Nonresident Individual Shareholders . . 7

Payment of 1999 Estimated Composite Income Taxes . . 7

### FORM CT-1120SI INSTRUCTIONS ... 8

General Instructions . . 8

Part I - Schedule A - S Corporation Shareholder Information . . 8

Part I - Schedule B - Computation of Composite Return Tax Liability . . 8

Supplemental Attachment . . 9

Part II - Income Apportionment . . 11

Part III - Business Information . . 12

Part IV - S Corporation Shareholder Information . . 12

Part V - Computation of Connecticut Source Income of Nonresident Shareholders . . 12

Part VI - Shareholders' Share of Connecticut Modifications . . 14

## OTHER TAXES FOR WHICH THE S CORPORATION MAY BE LIABLE

The information that follows is intended to be a general description of certain other Connecticut taxes for which an S corporation may be liable. Failure to pay these or any taxes for which the S corporation may be liable may subject the S corporation and its officers to civil and criminal penalties.

To register for sales and use taxes and Connecticut income tax withholding, as well as most other Connecticut taxes administered by the Department of Revenue Services, the S corporation must complete **REG-1, Application for Tax Registration Number**. If the S corporation already has a Connecticut tax registration number, it may register for any additional taxes for which the S corporation is liable by contacting the Department's Registration Unit at 860-297-4885.

### CONNECTICUT SALES AND USE TAXES

A corporation may be responsible for the filing of sales and use tax returns. Sales taxes are due if the company makes sales of taxable goods or services. Use taxes are due on the purchase of taxable goods or services from out-of-state retailers, or Connecticut retailers who have failed to collect the sales tax. Both taxes are reported on **Form OS-114, Sales and Use Tax Return**.

### CONNECTICUT INCOME TAX WITHHOLDING

Anyone who maintains an office or transacts business in Connecticut **and** who is considered an employer for federal income tax withholding purposes must withhold Connecticut income tax whether or not the payroll department is located in Connecticut. Connecticut income tax withholding is reported on **Form CT-941, Connecticut Quarterly Reconciliation of Withholding**, and **Form CT-W3, Connecticut Annual Reconciliation of Withholding**.

### CONTROLLING INTEREST TRANSFER TAXES

Connecticut imposes a tax on the transfer of a controlling interest in an entity where the entity owns an interest in Connecticut real property. This tax is reported on **Form AU-330, Controlling Interest Transfer Tax**.

# GENERAL INFORMATION

## WHERE CAN I GET HELP?

The Department's Taxpayer Services Division can answer questions on completing your Connecticut tax return. Taxpayer Services may be reached from 8:00 a.m. to 5:00 p.m., Monday through Friday, by calling 1-800-382-9463 (in-state) or 860-297-5962 (anywhere). Telecommunications Device for the Deaf (TDD/TT) users only may call 860-297-4911.

Help is also available from 8:00 a.m. to 5:00 p.m., Monday through Friday, by visiting any of the Department's offices listed on the back cover of this booklet. If you visit, be sure to bring your **COMPLETED** federal Form 1120S and your **COMPLETED Form CT-1120S, Connecticut S Corporation Business Tax Return**.

## WHERE CAN I GET ADDITIONAL FORMS AND PUBLICATIONS?

You may obtain forms and publications 24 hours a day from the DRS Web site at <http://www.state.ct.us/drs> or through the Department's fax retrieval system by calling the DRS TAX-FAX at 860-297-5698 from the handset attached to your fax machine.

Connecticut income tax forms may be obtained at any of the Department's offices (listed on the back cover) as well as at most Connecticut post offices, banks, town halls, and public libraries.

Connecticut tax forms may also be obtained by writing to:

**Department of Revenue Services  
Forms Unit  
25 Sigourney Street  
Hartford CT 06106-5032**

or by calling our Forms Unit at 860-297-5962 (anywhere) or 1-800-382-9463 (in-state) and choosing Option 2. Both numbers are available 24 hours a day.

## WHO MUST FILE A CONNECTICUT S CORPORATION INFORMATION AND COMPOSITE INCOME TAX RETURN?

Every S corporation carrying on business or having the right to carry on business in Connecticut, as the term is used in Conn. Gen. Stat. §12-214, must file a return on **Form CT-1120SI, Connecticut S Corporation Information and Composite Income Tax Return**, regardless of the amount of its income (or loss). **Form CT-1120SI** must be filed in addition to filing **Form CT-1120S, Connecticut S Corporation Business Tax Return**.

For its 1998 income year, an S corporation is subject to Connecticut corporation business tax on 75% of its nonseparately stated S corporation income. The tax is reported on **Form CT-1120S** filed by the S corporation. Shareholders report their pro rata share of S corporation income on an individual income tax return (**Forms CT-1040 or CT-1040 NR/PY**), an income tax return for trusts and estates (**Form CT-1041**), a group return (**Form CT-G**), or on this composite income tax return (**Form CT-1120SI**) filed for nonresident shareholders by the S corporation.

## HOW DO SHAREHOLDERS REPORT THEIR INCOME?

**Resident Shareholders:** S corporation income is included in each resident shareholder's federal adjusted gross income and therefore, is included in income reported on such shareholder's **Form CT-1040, Connecticut Resident Income Tax Return**. The S corporation must provide each resident shareholder with a schedule of the amounts of Connecticut modifications that each shareholder must include on Schedule 1 of his or her **Form CT-1040**. A Connecticut resident is an individual whose domicile is in this state or an individual whose domicile is not in this state but who maintained a permanent place of abode in Connecticut and spent more than 183 days in this state during the taxable year.

**Nonresident Shareholders:** The S corporation must provide each nonresident shareholder with a schedule of amounts of S corporation income derived from or connected with sources within Connecticut for inclusion on **Schedule CT-SI** of each shareholder's **Form CT-1040 NR/PY, Connecticut Nonresident or Part-Year Resident Income Tax Return**. Additionally, the S corporation must provide each nonresident shareholder with a schedule of Connecticut modifications that each shareholder must include on Schedule 1 of his or her **Form CT-1040 NR/PY**. Nonresidents, for purposes of these instructions and forms, will include all individuals and entities that are not residents.

## INCOME DERIVED FROM OR CONNECTED WITH CONNECTICUT SOURCES includes:

1. Income attributable to the ownership of any interest in real property or tangible personal property located in Connecticut and intangible personal property to the extent it is used in a business, trade, profession or occupation carried on **in Connecticut**;
2. Income attributable to a business, trade, profession or occupation carried on **in Connecticut**; **and**

3. The portion of a nonresident shareholder's pro rata share of S corporation income that is derived from or connected with Connecticut sources.

The S corporation must make a composite payment of all tax due for all nonresident individuals who do not agree to file a **Form CT-1040 NR/PY**, or who do not elect to be included on a group return (**Form CT-G**). A nonresident shareholder who prefers to pay all tax due by filing **Form CT-1040 NR/PY** must file a **Form CT-1NA**, *Connecticut Nonresident Income Tax Agreement*, with the S corporation prior to the filing date of the **Form CT-1120SI**. By filing **Form CT-1NA**, the nonresident shareholder agrees to file a **Form CT-1040 NR/PY**, make timely payment of all tax due and be subject to personal jurisdiction in Connecticut for purposes of the collection of income taxes attributable to the S corporation. Each **Form CT-1NA** must be attached to and filed with the **Form CT-1120SI**. The S corporation must retain a copy of each **Form CT-1NA** with its records.

### WHEN IS FORM CT-1120SI DUE?

You must file a return for a taxable period ending December 31 not later than April 15 of the following year, and, for any other taxable period, not later than the fifteenth day of the fourth month following the close of the taxable period. The return will be timely if the date shown by the US Post Office cancellation mark is on or before the due date of the return. **In addition, the S corporation must separately file Form CT-1120S by the fifteenth day of the fourth month following the end of its income year.** If the due date falls on a Saturday, Sunday, or legal holiday, substitute the next business day as the due date.

If the S corporation is terminated, completely liquidated or has changed its accounting method during its normal taxable year, resulting in an accounting period of less than 12 months for federal income tax purposes, the return is due the 15th day of the fourth month after the end of the accounting period.

### EXTENSION OF TIME TO FILE THE RETURN

To get an extension of time to file the annual return, the S Corporation must file **Form CT-1120SI EXT**, *Application for Extension of Time to File Connecticut S Corporation Information and Composite Income Tax Return*, not later than the fifteenth day of the fourth month following the close of the taxable period, together with payment of the total tax due. The filing of this form will automatically extend the due date for six months only if federal Form 7004, *Application for Automatic Extension of Time To File Corporation Return*, has been filed with the Internal Revenue Service. If federal Form 7004 was not filed, the S corporation can apply for a six-month extension to file

**Form CT-1120SI**, provided there is reasonable cause for the request.

**Form CT-1120SI EXT** only extends the time to file a return, but it does not extend the time to pay the amount of income tax due. See *Penalty and Interest for 1998 Form CT-1120SI*, on page 6.

If an officer is unable, by reason of illness, absence or other good cause, to request an extension, any person standing in a close personal or business relationship (including attorneys, accountants and enrolled agents) to the officer may sign the request on his or her behalf, and shall be considered as a duly authorized agent for this purpose, provided the request sets forth the reasons for a signature other than that of an officer's and the relationship existing between the officer and the signer.

### EXTENSION OF TIME TO PAY THE TAX

An S corporation that is making a composite income tax payment on behalf of its nonresident shareholders may be eligible for an extension of six months to pay the tax due with the composite return if it can be shown that paying the tax by the due date will cause undue hardship. To receive consideration, the S corporation must file **Form CT-1127**, *Application for Extension of Time for Payment of Income Tax*, on or before the due date of the original return.

The S corporation must attach **Form CT-1127** to the front of a timely filed **Form CT-1120SI** or a timely filed **Form CT-1120SI EXT**. As evidence of the need for extension, the S corporation must attach (1) a statement of assets and liabilities and (2) an itemized list of receipts and disbursements for the preceding three months. The S corporation must also explain why money cannot be borrowed to pay the tax due.

Shareholders who elect to be included on **Form CT-G** waive their right to request an extension of time to pay.

If an extension of time to pay is granted and full payment of tax is made on or before the end of the extension period, the 10% (.10) penalty will not be imposed. Interest of 1% (.01) per month or fraction of a month will continue to accrue on the underpayment from the due date of the original return until the tax is paid in full. Interest charges cannot be waived.

### HOW TO FILE AN AMENDED RETURN

If, after the S corporation files its return, changes or corrections to income or deductions are made, the S corporation must file an amended **Form CT-1120SI**. Complete the return using the corrected figures, as if you

were filing it for the first time. Check the amended return block on the front of **Form CT-1120SI**.

### **Failure to Report Federal Changes**

If the Internal Revenue Service changes or corrects the S corporation's return for any year, the S corporation is required to report such changes or corrections, by filing an amended **Form CT-1120SI**, within 90 days after the final determination of such changes or corrections. If the S corporation files an amended federal Form 1120S for any year, the S corporation is required to file an amended **Form CT-1120SI** within 90 days after filing the amended federal Form 1120S. A \$50 penalty is imposed for failing to comply with these requirements.

## **ACCOUNTING PERIOD AND METHOD OF ACCOUNTING**

An S corporation's accounting period and method of accounting for Connecticut tax purposes shall be the same as the S corporation's accounting period and method of accounting for federal income tax purposes.

If an S corporation's accounting period or method of accounting is changed for federal income tax purposes, the accounting period or method of accounting must be similarly changed for Connecticut income tax purposes.

## **PENALTY AND INTEREST FOR 1998 FORM CT-1120SI**

### **Late Payment or Late Filing**

If the S corporation fails to pay the tax when due, interest will be charged on the underpayment of tax at the rate of 1% (.01) per month or fraction thereof. The penalty for late payment is 10% (.10) of the balance due. In the event that no tax is due, the Commissioner of Revenue Services **may** impose a \$50 penalty for the late filing of any return or report that is required by law to be filed.

However, if a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if:

- The amount of tax shown to be due on the return minus the amount of tax paid on or before the original due date of the return equals an amount not greater than 10% of the amount of tax shown to be due on the return, **and**
- The balance due is paid on or before the extended due date of the return.

### **Failure to File**

If the S corporation fails to file its return and the Commissioner of Revenue Services files a return for it, the penalty for failure to file is 10% (.10) of the balance due or \$50, whichever is greater.

### **Interest on Underpayment of Estimated Tax**

If the shareholder did not pay enough tax through his or her own estimates or the S corporation did not pay enough estimated tax on the shareholder's behalf by any installment due date, the shareholder may be charged interest on the underpaid amount. This is true even if the shareholder is due a refund. Interest is figured separately for each installment. Interest can be calculated by using **Form CT-2210, Underpayment of Estimated Income Tax by Individuals, Trusts and Estates**, which may be obtained by calling the DRS Forms Unit. However, this is a complex form and you may prefer to have the Department calculate the interest for you.

## **WAIVER OF PENALTY**

The S corporation may be entitled to a waiver of penalty if the failure to pay the tax was due to reasonable cause. Requests for a penalty waiver must be in writing and contain a clear and complete explanation. Do not include penalty waiver requests with **Form CT-1120SI**. Mail separately to:

**Penalty Review Committee**  
**Department of Revenue Services**  
**PO Box 5089**  
**Hartford CT 06102 - 5089**

Interest on underpayments cannot be waived. Before a penalty waiver can be granted, a taxpayer must pay all tax and interest due.

## **ROUNDING OFF TO WHOLE NUMBERS**

Generally, you may round off cents to the nearest whole dollar on your return and schedules. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents when adding and round off only the total. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents.

**Example:** \$1.29 becomes \$1.00 and \$3.50 becomes \$4.00. If you elect to round off, do so for all amounts.

## **INTERNAL REVENUE SERVICE EXCHANGE PROGRAM**

The Department of Revenue Services and the Internal Revenue Service maintain an extensive exchange program, routinely sharing computer tapes and audit results. Discrepancies between income and deductions reported on federal returns and on this return, except those allowed under state law, will be identified and may result in a state audit or further investigation.

## GROUP RETURNS FOR NONRESIDENT INDIVIDUAL SHAREHOLDERS

A group return may be filed on **Form CT-G**, and taxes paid on behalf of electing shareholders by S corporations with ten or more qualified electing nonresident individual shareholders in a taxable year. All qualified electing nonresident individual shareholders must have the same taxable year. A “**qualified electing nonresident shareholder**” is one who meets all of the following conditions:

1. The shareholder was a nonresident individual for the entire taxable year;
2. The shareholder did not maintain a permanent place of abode in Connecticut at any time during the taxable year;
3. The shareholder (or his or her spouse if a joint federal income tax return is or will be made) did not have income derived from or connected with sources within Connecticut other than the shareholder’s pro rata share of S corporation income derived from or connected with sources within Connecticut;
4. The shareholder waives the right to claim any Connecticut personal exemption and any Connecticut personal credit;
5. The shareholder does not have a Connecticut alternative minimum tax liability for the taxable year; and
6. The shareholder elects to be included in **Form CT-G** by completing and delivers to the S corporation a **Form CT-2NA, Election to be Included in a Group Return**, prior to the filing of **Form CT-G** by the S corporation. By making such election, the shareholder expressly consents to personal jurisdiction in Connecticut for Connecticut income tax purposes and waives his or her right to request, on his or her own behalf or with others making such election, an extension of time to pay Connecticut income tax.

## PAYMENT OF 1999 ESTIMATED COMPOSITE INCOME TAXES

Estimated tax must be paid by the S corporation if the tax for any nonresident shareholder listed on the composite return exceeds \$500. Use **Form CT-1120SI ES** to make estimated payments.

The **required annual payment** is the lesser of:

- 90% of the tax shown on your 1999 Connecticut income tax return; or
- 100% of the tax shown on your 1998 Connecticut income tax return, if you filed a 1998 income tax return that covered a 12 month period.

For the taxable year beginning in 1999, to calculate the estimated Connecticut composite income tax payment, follow the instructions for the 1998 **Form CT-1120SI**, Part I, Schedule A, using each shareholder's estimated pro rata share of S corporation income. However, in calculating the amounts to enter on **Form CT-1120SI**, Part VI, Lines 4 and 9, substitute 55% wherever 75% is used in the 1998 instructions.

You do not have to make estimated income tax payments if you did not file a 1998 income tax return because you did not have any Connecticut income tax liability and during your 1998 taxable year you were either a resident or a nonresident or part-year resident with income derived from or connected with sources in Connecticut.

**Installment Amounts and Due Dates:** For estimated tax purposes there are four required installments for each taxable year. The amount of any required installment is 25% of the required annual payment. The due dates for the required installments are:

- **APRIL 15, 1999**
- **JUNE 15, 1999**
- **SEPTEMBER 15, 1999**
- **JANUARY 15, 2000**

If the due date falls on a Saturday, Sunday or legal holiday, substitute the next business day.

**Annualized Income Installment Method:** If a shareholder does not receive income evenly throughout the year, the shareholder may be able to lower or eliminate the interest otherwise due for not making estimated payments in the four equal installments by calculating his or her underpayments using the “**annualized income method**.” The required estimated tax payment using the annualized income method for one or more periods may be less than the amount figured using the equal installment method. If the shareholder establishes that the annualized income installment is less than the equal installment method, the shareholder may use the annualized income method to determine the amount of the estimated tax payments.

**For each installment, the shareholders’ aggregate estimated tax payments may be reported by using one Form CT-1120SI ES.**

# FORM CT-1120SI INSTRUCTIONS

## GENERAL INSTRUCTIONS

Enter the S corporation's name, address, federal employer identification number and Connecticut tax registration number.

Check the appropriate box(es) for an amended return, final return or both.

Enter the total number of shareholders, whether resident or nonresident, during the taxable year. The number of shareholders is determined as of the end of the S corporation's taxable year.

## PART I - SCHEDULE A S CORPORATION SHAREHOLDER INFORMATION AND COMPOSITE RETURN

This part must be completed for all S corporations that have any nonresident shareholders who have failed to submit a completed **Form CT-1NA** or **Form CT-2NA** to the S corporation.

- **Form CT-1NA** is an agreement that the nonresident shareholder will file **Form CT-1040 NR/PY**.
- **Form CT-2NA** is the election of the shareholder to be included on **Form CT-G**.

**Column A - Shareholder's Name and Identification Number** - Enter the names and federal employer identification numbers or social security numbers of the shareholders who must be included in the composite return.

**Column B - Connecticut Source Income** - For each nonresident who is a shareholder and who is included in the composite return, enter the shareholder's Connecticut source income. This amount is the total of the amounts entered on **Form CT-1120SI**, Part V, Lines 1 through 8. **The federal rules regarding restrictions in netting only similar characters of income apply.**

**Column C - Tax** - Multiply the income derived from or connected with sources within Connecticut in Column B by 4.5% (.045) to compute the tax liability for each nonresident individual shareholder included in the composite return. Enter the total for all such shareholders on Line 9.

**Column D - Estimated Tax Paid** - If any estimated composite tax was paid by the S corporation, the amount paid should be allocated in this column among the nonresident individual shareholders included in the composite return. Enter the total estimated tax paid on Line 10.

**Column E - Interest** - Enter the amount of each shareholder's interest due. Use **Form CT-2210** to calculate the interest on underpayment.

If there are more than six nonresident shareholders, use the Supplemental Attachment to **Form CT-1120SI**, Part I, Schedule A, and Parts IV, V, and VI. The Supplemental Attachment is included in the back of this booklet.

## PART I - SCHEDULE B COMPUTATION OF COMPOSITE RETURN TAX LIABILITY

### LINE 1 - CONNECTICUT-SOURCE INCOME OF SHAREHOLDERS INCLUDED IN COMPOSITE RETURN

Enter the total income derived from or connected with sources within Connecticut of all shareholders for whom the S corporation is filing the composite income tax return as entered on Part I, Schedule A, Column B, Line 8.

### LINE 2 - TAX LIABILITY

Multiply the amount entered on Line 1 by 4.5% (.045) to compute the amount of tax liability. The amount computed should equal the amount entered on Part I, Schedule A, Column C, Line 9.

### LINE 3 - PAYMENTS OF ESTIMATED TAX

Enter the total payments of estimated tax made by the S corporation on behalf of the shareholders as entered on Part I, Schedule A, Column D, Line 10.

### LINE 4 - PAYMENT MADE WITH EXTENSION REQUEST

If **Form CT-1120SI EXT**, *Application for Extension of Time to File S Corporation Information and Composite Income Tax Return*, was filed, enter on Line 4 the amount of tax paid with **Form CT-1120SI EXT**.

### LINE 5 - TOTAL PAYMENTS

Add Line 3 and Line 4. Enter the total on Line 5.

### LINE 6 - OVERPAYMENT

If Line 5 is more than Line 2, subtract Line 2 from Line 5 and enter the resulting amount on Line 6. This is the amount of overpayment.

### LINE 7 - AMOUNT OF LINE 6 TO BE APPLIED TO 1999 ESTIMATED TAX

Enter the amount of the 1998 overpayment to be applied to the S corporation's 1999 estimated Connecticut composite income tax.

### LINE 8 - AMOUNT OF REFUND

Subtract Line 7 from Line 6. Enter the result on Line 8. This is the amount of the refund due.

### LINE 9 - AMOUNT OF TAX OWED

If Line 2 is greater than Line 5, subtract Line 5 from Line 2, and enter the result on Line 9. This is the amount of tax owed.

## LINE 10 - LATE PAYMENT OR FILING PENALTY

The penalty for late payment of the tax due is 10% (.10) of the amount due. In the event that no tax is due, the Commissioner of Revenue Services **may** impose a \$50 penalty for the late filing of any return or report that is required by law to be filed. However, if a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if:

- The amount of tax shown to be due on the return minus the amount of tax paid on or before the original due date of the return equals an amount not greater than 10% of the amount of tax shown to be due on the return, **and**
- The balance due is paid on or before the extended due date of the return.

## LINE 11 - LATE PAYMENT INTEREST

If the tax is not paid by the due date, interest is charged at the rate of 1% (.01) per month or fraction thereof from the due date until payment is made.

## LINE 12 - UNDERPAYMENT OF ESTIMATED TAX

Enter the amount from Part I, Schedule A, Line 11. This is the total interest due on the underpayment of estimated income tax for all shareholders.

## LINE 13 - BALANCE DUE WITH THIS RETURN

Add Lines 9 through 12 and enter the total on Line 13. Pay the balance due with this return. Make check or money order payable to the "*Commissioner of Revenue Service*". Include the S corporation's federal employer identification number and "*1998 Form CT-1120SI*" on the front of the check or money order in the lower left corner. Do not send cash. Paper clip (do not staple) the check to the front of the return. Be sure to sign the check.

**SIGN HERE:** Form CT-1120SI must be signed by a corporate officer. A phone number must be provided.

Anyone you pay to prepare the return must sign it and fill in the other information requested in the paid preparer's area of the return. Any paid preparer required to sign the return must sign it by hand; signature stamps are not acceptable. The preparer's federal employer identification number, firm name and firm address must also be entered in the space provided. Retain a copy of this return for the S corporation's records.

**Attach to the return a copy of all applicable schedules and forms including Form CT-2210 for each shareholder, if applicable.**

## PART II - INCOME APPORTIONMENT

Complete Part II only if **all** of the following apply:

1. The S corporation has at least one shareholder who is a nonresident individual, trust or estate or a part-year resident individual or trust;
2. The S corporation carries on business both within and outside of Connecticut; and

3. The S corporation does not maintain books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources.

The apportionment fraction calculated on Line 8 is used to complete Part V for the S corporation's nonresident shareholders.

Part II must still be completed even if an authorized alternate allocation method is used. A detailed explanation of the authorized alternate method used to determine the Connecticut income must be attached, together with full details of any adjustments increasing or decreasing the amount of Connecticut income computed by the authorized alternate method.

If the S corporation does maintain books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources those amounts must be used to complete Part V.

## LINE 1 - REAL PROPERTY OWNED

Enter in Column A the average value of all real property owned everywhere by the business. Enter in Column B the average value of Connecticut real property owned by the business.

The average value of real property owned by the business is determined by adding its fair market value at the beginning and at the end of the taxable year and dividing the sum by two.

## LINE 2 - REAL PROPERTY RENTED FROM OTHERS

Enter the value of all real property rented everywhere in Column A and the value of real property rented in Connecticut in Column B.

The average value of real property rented by the business from others and to be included on Line 2 is eight times the gross rent payable during the taxable year for which the return is filed.

Gross rent includes:

- Any amount payable for the use or possession of real property, or any part of it, whether designated as a fixed sum of money or as a percentage of sales, profits or otherwise;
- Any amount payable as additional rent or in lieu of rent such as interest, taxes, insurance, repairs or any other amount required to be paid by the terms of a lease or other agreement;
- The yearly amortization applicable to any improvement to real property made by or on behalf of the business which reverts to the owner or lessor upon termination of a lease or other arrangement.

However, if a building is erected on leased land by or on behalf of the business, the value of the building is determined in the same manner as if it were owned by the business.

### LINE 3 - TANGIBLE PERSONAL PROPERTY OWNED OR RENTED FROM OTHERS

Enter in Column A the average value of all tangible personal property owned or rented everywhere by the business. Enter in Column B the average value of tangible personal property owned or rented in Connecticut by the business. The average value of tangible personal property owned by business is determined by adding its book value at the beginning and at the end of the taxable year and dividing the sum by two. The average value of tangible personal property rented from others is determined by multiplying by eight the gross rents payable during the taxable year for which the return is filed.

### LINE 4 - PROPERTY OWNED OR RENTED

Add Lines 1, 2, and 3 in Column A and Column B. Enter the result on Line 4 in Column A and Column B. On Line 4, divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it in Column C, Line 4.

### LINE 5 - EMPLOYEE WAGES AND SALARIES

Enter in Column A the total compensation paid to employees during the taxable year in connection with business operations carried on everywhere. Enter in Column B the total compensation paid to employees during the taxable year in connection with business operations carried on in Connecticut. Only enter wages, salaries and other personal service compensation paid to employees of the business. Do not include payments to independent contractors, independent sales agents, etc. The compensation paid for services is in connection with operations carried on in Connecticut if the employee works in or travels out of an office or other place of business located in Connecticut.

Divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it in Column C.

### LINE 6 - GROSS INCOME FROM SALES AND SERVICES

Enter in Column A, total gross sales made and charges for services performed by the S corporation or by its employees, agents, agencies or independent contractors of the business everywhere. Enter in Column B the portion of total gross sales or charges that represents the sales made, or services performed, by the S corporation or by its employees, agents, agencies or independent contractors of the business in Connecticut. This includes sales made or services performed by employees, agents, agencies or independent contractors situated at, connected with, or sent out from offices of the business (or its agencies) located in Connecticut.

For example, if the sales territory of a salesperson working out of the Connecticut office of the business covers Connecticut, Massachusetts and Rhode Island, all sales made by such salesperson are to be allocated to Connecticut and included in Column B, Line 6.

Divide the Column B amount by the Column A amount. Carry the result to four decimal places and enter it in Column C.

### LINE 7 - TOTAL OF PERCENTAGES

In Column C, add Lines 4, 5 and 6 and enter the total in Column C, Line 7.

### LINE 8 - APPORTIONMENT FRACTION

Divide Line 7 by three (or by the actual number of percentages if less than three). Carry the result to four decimal places and enter it in Column C, Line 8.

## PART III - BUSINESS INFORMATION

Attach a schedule that lists the exact location of each place where the S corporation carries on business. Briefly describe each place (such as sales office, agency, factory). Briefly describe the activity at the location shown (such as storage, administration, manufacturing).

## PART IV - S CORPORATION SHAREHOLDER INFORMATION

Enter the name, address, federal employer identification number or social security number (whichever is applicable), percentage of stock ownership (enter as a decimal and carry to four places), and residence status of all shareholders. Every shareholder whether an individual, trust or estate and whether resident or nonresident must be listed. **Assign each shareholder a number, and list in sequential order.**

If there are more than three nonresident shareholders, use the Supplemental Attachment to **Form CT-1120SI**, Part I, Schedule A, and Parts IV, V, and VI. The Supplemental Attachment is included in this booklet.

Each shareholder must be assigned the same "shareholder #" for Parts IV, V, and VI.

**Example:** If Mary L. Smith is identified as shareholder #1 in Part IV, Mary L. Smith must also be identified as shareholder #1 in Parts V and VI. If Mary L. Smith is a resident individual, so that no information is entered in Part V with respect to her, no entry would be made in Part V with respect to a person identified as shareholder #1.

## PART V - COMPUTATION OF CONNECTICUT SOURCE INCOME OF NONRESIDENT SHAREHOLDERS

**Each shareholder must be assigned the same number for Parts IV, V, and VI.**

Complete this part for all nonresident shareholders whether or not included on the composite return.

S corporations carrying on business both within and outside Connecticut must apportion each nonresident shareholder's

pro rata share of items of income, gain, loss or deduction and the related Connecticut modifications to arrive at the Connecticut source income reported in Part V.

**The character of the income (loss) for Connecticut income tax purposes must mirror the character of such income (loss) for federal income tax purposes.**

#### LINE 1

Enter the Connecticut portion of each nonresident shareholder's pro rata share of nonseparately stated income or loss. If books and records are maintained that satisfactorily disclose the portion of each shareholder's pro rata share of nonseparately stated income derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying each shareholder's pro rata share of nonseparately stated income (as modified by the amount reported on Part VI, Line 9), or each shareholder's pro rata share of nonseparately stated loss (as modified by the amount reported in Part VI, Line 4) by the amount of nonseparately stated income that the S corporation's books and records show to be Connecticut sourced.

If such books and records are **not** maintained, calculate the Connecticut portion of such income or loss by multiplying each shareholder's pro rata share of nonseparately stated income (as modified by the amount reported on Part VI, Line 9), or the shareholder's pro rata share of nonseparately stated loss (as modified by the amount reported in Part VI, Line 4) by the S corporation's apportionment fraction as reported on Part II, Line 8.

**Example 1:** Assume that an S corporation, whose ordinary income is entirely derived from its retail business, maintains books and records that satisfactorily show how much of its ordinary income is from each of its retail stores (including its stores in Connecticut). Assume that the amount that those books and records show to be the sum of its ordinary income from each of its Connecticut stores equals 22% of the S corporation's ordinary income. Assume that Shareholder #1's pro rata share of nonseparately stated income is \$50,000, and that the amount of her pro rata share of the Connecticut modification entered on Part VI, Line 9, is \$9,000. The Connecticut portion of her pro rata share of nonseparately stated income is \$9,020.  $(\$50,000 - \$9,000) \times .22 = \$9,020$ .

**Example 2:** The facts are the same as in Example 1, except the S corporation does not maintain books and records that satisfactorily show how much of its ordinary income is derived from each of its retail stores. Assume that the S corporation's apportionment fraction as reported on Part II, Line 8, is 15% (.15). The Connecticut portion of Shareholder #1's pro rata share of nonseparately stated income is \$6,150.  $(\$50,000 - \$9,000) \times .15 = \$6,150$ .

#### LINE 2 THROUGH LINE 8

**Important: The amounts entered on Lines 2 through 8 should also reflect the shareholder's pro rata share of Connecticut modifications (as reported in Part VI, Lines 1-3, 5-8, and 10) to the extent the modifications are Connecticut sourced.**

#### LINE 2 AND LINE 3

Enter the Connecticut portion of the shareholder's pro rata share of amounts attributable to rental activities (gain or loss). Amounts attributable to real property located in Connecticut are 100% taxable for Connecticut income tax purposes to a nonresident shareholder. Amounts attributable to real property located outside Connecticut are not taxable for Connecticut income tax purposes to a nonresident shareholder.

#### LINE 4

Enter the Connecticut portion of the shareholder's pro rata share of portfolio income (loss). Items of income, gain, loss and deduction derived from or connected with sources within Connecticut do not include such items attributable to intangible personal property except to the extent such intangible property is employed in a business, trade, profession or occupation carried on in Connecticut. For example, dividends from stock used as collateral to secure a business loan (for a Connecticut business) would be income from intangible property employed in a Connecticut trade or business and therefore would be subject to Connecticut income tax.

Enter the Connecticut portion of the shareholder's pro rata share of capital gain. If the amount relates to the sale of rental property located in Connecticut, the capital gain (loss) is 100% sourced to Connecticut.

Items of capital gain (loss) attributable to intangible personal property (such as the sale of stock) are not sourced to Connecticut except to the extent such capital gain is attributable to an intangible asset employed in a trade, business, profession or occupation carried on in Connecticut.

**Example 3:** Assume that Shareholder #3 has portfolio income sourced to Connecticut of \$5,000, and that \$1,000 of the \$5,000 is from interest on US Government obligations, and is reported in Part VI, Line 6. The Connecticut portion of this shareholder's pro rata share of portfolio income to be entered on Part V, Line 4 is \$4,000.  $\$5,000 - \$1,000 = \$4,000$ .

#### LINE 5

Enter the Connecticut portion of the shareholder's pro rata share of the amount allowed as a deduction for federal purposes under Internal Revenue Code §179.

Unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying

the shareholder's share of such deduction from federal Schedule K-1 by the apportionment fraction on Line 8 of Part II of this return.

#### LINE 6

Enter the Connecticut portion of the shareholder's pro rata share of other deductions that are not deducted in arriving at ordinary income (loss) from trade or business activities and that are separately stated on the federal Schedule K-1.

Unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the shareholder's pro rata share of such items from federal Form 1120S, Schedule K-1 by the apportionment fraction on Line 8 of Part II of this return.

#### LINE 7

Enter the Connecticut portion of the shareholder's pro rata share of gain (loss) under Internal Revenue Code §1231.

If the amount relates to rental property located in Connecticut, the gain (loss) is 100% sourced to Connecticut.

If the amount relates to a trade or business activity, unless the S corporation maintains books and records that satisfactorily disclose the portion of income, gain, loss or deduction derived from or connected with Connecticut sources, the Connecticut portion of such gain (loss) is calculated by multiplying the shareholder's share of such gain (loss) under Internal Revenue Code §1231 from federal Form 1120S, Schedule K-1, by the apportionment fraction on Line 8 of Part II of this return.

#### LINE 8

Enter the Connecticut portion of the shareholder's pro rata share of other items of income, gain, loss or deduction not included on Lines 1 through 7 above.

### PART VI - SHAREHOLDERS' SHARE OF CONNECTICUT MODIFICATIONS

Each shareholder must be assigned the same number for Parts IV, V, and VI.

Enter each shareholder's pro rata share of Lines 1 through 10.

**This part is to be filled out for all shareholders.**

#### ADDITIONS

Enter each shareholder's share as a positive number.

#### LINE 1 - INTEREST ON STATE AND LOCAL GOVERNMENT OBLIGATIONS OTHER THAN CONNECTICUT

Enter each shareholder's pro rata share of interest income derived from state and municipal government obligations, other than obligations of the State of Connecticut or its

municipalities, which interest income is not taxed for federal income tax purposes. Do not enter interest income derived from government obligations of Puerto Rico, Guam, American Samoa and US. Virgin Islands.

#### LINE 2 - EXEMPT-INTEREST DIVIDENDS RECEIVED FROM A MUTUAL FUND DERIVED FROM STATE OR MUNICIPAL GOVERNMENT OBLIGATIONS OTHER THAN CONNECTICUT

Enter each shareholder's pro rata share of exempt-interest dividends received from a mutual fund that are derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities. If the exempt-interest dividends are derived from obligations of Connecticut and other states, enter only the percentage derived from non-Connecticut obligations. Do not enter exempt-interest dividends derived from government obligations of Puerto Rico, Guam, American Samoa and U.S. Virgin Islands.

**Example:** A fund invests in obligations of many states, including Connecticut. Assuming that 20% of the distribution is from Connecticut obligations, the remaining 80% would be added back on this line.

#### LINE 3 - CERTAIN DEDUCTIONS RELATING TO INCOME EXEMPT FROM CONNECTICUT INCOME TAX

Enter each shareholder's pro rata share of the amount deducted for federal income tax purposes for: (1) interest expense on loans used to buy bonds and securities whose interest is exempt from Connecticut income tax; (2) expenses related to income exempt from Connecticut income tax; and (3) amortizable bond premium on any bond, the interest from which is exempt from Connecticut income tax.

#### LINE 4 - ORDINARY LOSS

Enter 75% of each shareholder's pro rata share of the S corporation's nonseparately computed loss (if any) multiplied by the S corporation's Connecticut corporation business tax apportionment fraction reported on **Form CT-1120S**, *Connecticut S Corporation Business Tax Return*.

#### LINE 5 - OTHER

Use Line 5 to report each shareholder's pro rata share of additions to income which are not listed on Lines 1 through 4. For example, include each shareholder's pro rata share of:

- Any loss recognized on the sale of bonds or other obligations of the State of Connecticut or its municipalities;
- The S corporation's share of any positive fiduciary adjustment received from a trust or estate of which the S corporation is a beneficiary;

- Any interest or dividend income on federal obligations or securities the federal government does not prohibit states from taxing;
- Income taxes imposed under Chapter 229 of the Connecticut General Statutes, and paid to Connecticut by the S corporation with a composite return on behalf of nonresident shareholders, to the extent deductible by such nonresident shareholders in determining their federal adjusted gross income;
- To the extent deductible in determining federal adjusted gross income, expenses paid for the production or collection of Connecticut tax exempt income, or paid for the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is exempt from Connecticut income tax.

## SUBTRACTIONS

Enter each shareholder's share as a positive number.

### LINE 6 - INTEREST ON UNITED STATES GOVERNMENT OBLIGATIONS

Enter each shareholder's pro rata share of interest income (to the extent included in federal adjusted gross income) that federal law prohibits states from taxing; for example all US Government bond interest such as Savings Bonds Series EE and Series HH, US Treasury bills and notes.

Do not enter the amount of interest earned on Federal National Mortgage Association (Fannie Mae) Bonds, Government National Mortgage Association (Ginnie Mae) Bonds and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing income derived from these obligations, and this interest is taxed by Connecticut. For more information, including lists of exempt and taxable obligations, request **PS 92(3.1)**, *Connecticut Income Tax on Bonds or Obligations Issued by the United States Government, by State Governments or Municipalities*.

### LINE 7 - EXEMPT DIVIDENDS FROM QUALIFYING MUTUAL FUNDS DERIVED FROM U.S. GOVERNMENT OBLIGATIONS

Enter each shareholder's pro rata share of exempt dividends that are received from a qualifying mutual fund and that are derived from US Government obligations. A mutual fund is a qualifying fund if, at the close of each quarter of its taxable year, at least 50% of the value of its assets consists of US Government obligations. The percentage of dividends that are exempt dividends should be reported to you by the mutual fund.

Do not enter the amount of income derived from Federal National Mortgage Association (Fannie Mae) bonds, Government National Mortgage Association (Ginnie Mae) bonds and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit

states from taxing income derived from these obligations, and this income is taxable for Connecticut income tax purposes.

**Example:** A qualifying mutual fund pays a dividend of \$100. Of the \$100 distribution, 55% is attributable to US Treasury bills and 45% to other investments. The amount that should be reported on Line 7 is \$55.

### LINE 8 - CERTAIN EXPENSES RELATING TO INCOME EXEMPT FROM FEDERAL INCOME TAX

Enter each shareholder's pro rata share of interest expense on money borrowed to purchase or carry bonds or securities, whose interest income is subject to Connecticut income tax but exempt from federal income tax, provided this interest was a business expense for the federal taxable year and was not deducted in determining the S corporation income.

### LINE 9 - ORDINARY INCOME

Enter 75% of each shareholder's pro rata share of the S corporation's nonseparately computed income (if any) multiplied by the S corporation's Connecticut corporation business tax apportionment fraction reported on **Form CT-1120S**, *Connecticut S Corporation Business Tax Return*.

### LINE 10 - OTHER

Use Line 10 to report each shareholder's pro rata share of subtractions not listed on Lines 6 through 9. For example, include each shareholder's pro rata share of:

- Any gain recognized on the sale or exchange of bonds or other obligations issued by the State of Connecticut or its municipalities;
- Interest income from federally taxable Connecticut bonds;
- Any negative Connecticut fiduciary adjustment received from a trust or estate of which the S corporation is a beneficiary;
- Any refund or credit for the overpayment of income taxes imposed by any state or province of Canada, to the extent such amount was included in federal adjusted gross income;
- Business expenses incurred in connection with the income, or property held to produce income, that is subject to Connecticut income tax but exempt from federal income tax (provided these expenses were not deducted in determining S corporation income);
- Amortization of bond premium on any bond, the interest from which is subject to Connecticut income tax but exempt from federal income tax (provided this amortization was business expense for the taxable year and was not deductible in determining S corporation income).

# CONNECTICUT TAX ASSISTANCE

## FOR TAX INFORMATION

- Visit the DRS Website at:  
<http://www.state.ct.us/drs>
- Call CONN-TAX:  
1-800-382-9463 (in-state) or  
1-860-297-5962 (anywhere)

Telecommunications Device for the Deaf (TDD/TT) users only, call 860-297-4911.

Personal Taxpayer Assistance is available during business hours listed at right. Extended hours will be offered January through April, call Conn-Tax or visit the Website for details.

- Write to:  
Department of Revenue Services  
Taxpayer Services Division  
25 Sigourney Street  
Hartford CT 06106-5032

## FORMS AND PUBLICATIONS

May be obtained at any hour of the day seven days a week by using any of the following resources:

- **Internet**  
Preview and download forms from the DRS Website (<http://www.state.ct.us/drs>);
- **DRS TaxFax**  
Call 860-297-5698 from the handset attached to your fax machine;
- **Telephone**  
From a touch-tone phone 24 hours a day call:  
1-800-382-9463 (toll-free from within Connecticut) or  
1-860-297-4753 (DRS Forms Unit) and select Option 2.

## WALK-IN OFFICES

For free assistance or forms, visit our offices from 8:00 a.m. to 5:00 p.m. (Monday through Friday). For pre-recorded directions to DRS offices call CONN-TAX. If you require special accommodations, please advise the Department representative.

### BRIDGEPORT

10 Middle Street  
203-579-6251

### HAMDEN \*

2105 State Street  
203-789-7516

### HARTFORD

25 Sigourney Street  
860-297-5962

### NORWICH \*

2 Cliff Street  
860-889-2669

### WATERBURY \*

91 Schraffts Drive  
203-596-4310

\* These offices will be moving in 1999. To verify the address, please call before you visit.

For questions about federal taxes, contact the Internal Revenue Service (IRS) at 1-800-829-1040.  
To order federal tax forms, call 1-800-829-3676.

## DEPARTMENT OF REVENUE SERVICES MISSION STATEMENT

The Mission of the Connecticut Department of Revenue Services is to administer the tax laws of the State of Connecticut and collect the tax revenues in the most cost effective manner; achieve the highest level of voluntary compliance through accurate, efficient and courteous customer services; and perform in a manner which instills public confidence in the integrity and fairness of the state's tax programs.

State of Connecticut  
Department of Revenue Services  
25 Sigourney Street  
Hartford CT 06106-5032